





**T R A C T N O. I.**

Published by the Republican Association of Washington, under the direction of  
the Congressional Republican Executive Committee.

---

---

**HOW WE ARE GOVERNED.**

---

---

Price 75 cents per hundred copies. Address

**L. CLEPHANE,**  
Secretary National Republican Association,  
Washington, D. C

CAGE

L436

HGT

1897

## HOW WE ARE GOVERNED.

---

It is undoubtedly true, both that the country has been governed by Mr. Calhoun and his disciples, with a brief interval, ever since his accession to power under Mr. Tyler's administration, in 1842, and that the principles and policy of Mr. Calhoun, according to which the Government has been conducted during that time, are obnoxious to a great majority of the people. It follows from this, that the rule of the minority has been substituted in our Government for that of the majority. It is important to inquire how this great change has been effected.

The combination of the property-holders in the States in which Slavery exists, effected by working upon the cupidity, pride, and ambition, of most of them, through the questions connected with Slavery which have been made for that purpose, is obviously the basis of this revolution.

The property-holders, when combined, can readily obtain political power at the outset of a contest. As the individuals of this class are for the most part interested in Slavery, it is not surprising that they should be combined by questions connected with that institution, and that they should thus far have dominated in the Southern States during the period in question.

The enormous increase of public expenditure during this period points to the means by which they have been enabled to make that division in the North which is the other requisite to their ascendancy. They have some natural al-

lies at the North, as there are some there, as everywhere, who would support a class or aristocratic government, from innate hostility to popular government. But it is by the public money and office, and by the immense power exercised by the Departments over the business relations of the people—as, for example, the practically unlimited discretion exercised by the Department of the Interior over the land titles in the new States—which enables them to support a corps of mercenaries, distributed throughout the North, to maintain a party name and organization, to dupe multitudes, and to perpetrate the frauds on the ballot-boxes now systematically resorted to, to carry the important elections. This system of organized fraud was first put in operation in California, and so successfully that it is not believed that any election has in fact ever taken place in that State since 1850. It has been since applied in Pennsylvania, in Kansas, in St. Louis, in Detroit, in New York, and in numerous other places, even in Maine, among others. The public attention has been particularly attracted to the frauds in Kansas, which have been investigated by committees of Congress; and it has been seen with what effrontery, and utter disregard of appearances even, they were perpetrated by officers in the General Government; and that, so far from being rebuked or punished for it, their acts have been defended by the Administration, which has thus demonstrated that these acts were approved, if not instigated, by the President. The frauds

in Maine, which were investigated by the Legislature, were also the work of officers of the United States. The fraud by which the Pennsylvania election of October, 1856, was carried, which decided the Presidential election of that year, was judicially proved in the contest made by Mr. Mann, the Republican candidate for District Attorney at that election.

The evidence taken, and to be submitted to the next Congress, in relation to the elections in the other places named above, show similar proceedings. In short, the details are only what it might be foreseen they must necessarily be, where a party attempts to maintain itself in power against public sentiment. Fraud or force must be resorted to.

It could also be foreseen that the money to pay the perpetrators of these abuses would in some form come from the Treasury, for the people always have to pay for the appliances by which they are subjected.

No one who compares the enormous expenditure made for Utah and Paraguay expeditions, for the army and navy, for public buildings and vessels, or indeed for every object, with the result obtained, and remembers that the men under whom all this apparent waste is committed are not fools, can fail to see that the ostensible are not the real objects of the expenditure.

The primary object with the organization, both in its Congressional and Executive agents, is to supply the means to hold power in defiance of public opinion. Nor can it be expected that men in such positions will scruple to evade the laws or regulations which are in the way of their devoting to such objects large portions of money put into their hands. But the investigations of various committees of the last House of Representatives, in reference to certain transactions of the former Clerk of the House, of the Superintendent of Public Printing, of the Printer, of the War and Navy Departments, supply copious details of the system by which the public money passes into the hands of the disbursing agents of the organization. The report of the Naval Investigating Committee, and the evidence accompanying it, is especially instructive, and shows how exclusively the Executive is occupied in disbursing public money, in turning it to political account, and how secondary the ostensible objects of appropriations are to the paramount object of maintaining possession of the Government. All the trans-

actions brought in review by the report and evidence proves this; but the transactions with W. C. N. Swift, who advanced \$16,000 to carry the Pennsylvania election above referred to, and was repaid in a purchase from him of refuse live-oak timber, will be sufficient to illustrate how the public money is applied to such purposes, how the laws and regulations are evaded to do so, and how gentlemen, even of the high standing of Mr. Bocock, are obliged to excuse and defend these flagrant abuses by the moral duress to which they subject themselves by adhering to the organization. He is, however, unable to disguise the real character of the transaction, although he does not state the facts with the fulness or clearness with which Mr. Sherman presents them. Yet, that no one may say that the facts are overstated here, we extract Mr. Bocock's whole statement of the transaction from the Report, at page 30. He says:

"The Secretary declined [to purchase the timber] on the ground that he had no power to purchase without having first advertised for proposals, in order that the wants of the Government might be supplied by the lowest *bona fide* bidder in fair competition.

"The Secretary had power to procure timber by open purchase if needed for immediate use. Such is the plain language of the law. (See Brightly's Digest, 191, section 7.) And so the law is understood by the Navy Department, as proved by John Lenthall, chief of the bureau of construction, equipment, and repairs. About three thousand feet of Bigler's timber in the Kittery yard, and probably as much at the Gosport yard, had been used and paid for by open purchase, being needed for immediate use; and this circumstance was urged by Bigler as a reason for the purchase of his entire stock. But the Secretary did not consider the exigency of the public service required the immediate purchase and delivery of a large quantity of live-oak timber. This is obvious, for the reasons:

"1. That he refused to purchase, although the stock of Bigler was offered at the moderate price of \$1.10 per foot; and Swift said that would establish the price, and he would have to take the same for his. (See Bigler's testimony.)

"2. The unusual clause in the published proposals to bidders, 'reserving the right to decline making any contract for a purchase and delivery at any navy yard, if he should then deem it unnecessary or disadvantageous to the public service.'

"3. The Secretary instructed Mr. Lenthall, as he understood, to specify, in the advertisement for the timber, the earliest time at which it could be *cut and delivered*; and he specified

the first of February, 1859, as the earliest day practicable. Of course, the Secretary knew it would take several months to *cut and deliver it.*

"4. But little of it has been used since the delivery of it on contract, as hereafter stated. Mr. Lenthall, chief of the bureau of construction, equipment, and repairs, testifies as follows:

"I think that timber of that description was needed; not the whole of it; probably we could have done with much less than was called for. But I think it was for the interest of the service to have got that description of timber, and I think we wanted it then.

"*Question.* At that time?

"*Answer.* Yes, sir; a portion of it."

"They got a portion of it as already noticed. They must have gotten all or nearly all then needed, for it is proved but little of the timber referred to has been used since it was delivered under the contract. According to the testimony of B. F. Delano, naval constructor at Brooklyn, about one-fourth of the quantity delivered then, say six thousand feet, has been used. Samuel T. Hartt, naval constructor at Gosport, proves that about three hundred feet have been used at that yard.

"Francis Grier, naval constructor in the Philadelphia yard, proves there was a little of it used on sloop No. 1, in the Philadelphia yard, and that some was used on the Griffith ship, but leaves the quantity indefinite. He also says, if the matter had been referred to him, he would not, as a matter of official duty, have recommended the purchase of Swift's timber, and it was not necessary to purchase it to carry on the business of the yard.

"Proposals for timber were prepared by Mr. Lenthall, under the directions of the Secretary. When submitted to him, he did not approve of the time fixed for the delivery, which was the 1st of February, 1859, and changed it, making half deliverable on the 1st of September, 1858, (about twenty days after the contracts were completed,) and the remaining half on the 1st of February, 1859.

"Swift and Bigler seemed to have entertained no doubt they had the contracts within their grasp, as they had the timber already in all the yards except Warrington; and, to prevent competition between them in bidding, Swift agreed, if he got the contracts, to purchase all of Bigler's timber at the same rate for which he contracted with the Government. Swift bid to furnish the timber at \$1.30; Bigler nominally bid at a much higher rate, in order that the contract might be awarded to Swift. It turned out, there were several other bidders, though they knew it would be impossible for them to deliver any timber on the 1st of September. They believed the Secretary would grant them an extension of time, and doubtless, under that belief, bid in good faith. Swift was underbid for every yard, and the contracts were awarded to the lowest bidders: Buxton & Lawrence, at

Kittery, Charlestown, and Brooklyn; Samuel B. Grice, at Philadelphia and Gosport; and Coates, Degrav & Beech, at Warrington. Buxton & Lawrence failed to execute their contract within ten days allowed them. The other successful bidders executed their contracts as required. Samuel B. Grice delivered only 1,400 feet of timber at Philadelphia within the time stipulated for the first delivery. Coates, Degrav, & Beech, did not deliver any at Warrington. They each applied to the Secretary for an extension of time, which he declined to grant; and on or before the 16th of September the contracts were all annulled, and a contract made with W. C. N. Swift to supply all the several yards, at the same rates at which the contracts were first awarded, ranging from \$1.09 to \$1.17 per cubic foot, and being an average of \$1.12.

"The usual time allowed contracts for live oak is one and two years; because, unlike other timber, it is rarely kept on hand by lumbermen, and generally has to be cut near the coasts of the Gulf of Mexico, after the contracts are made; and being esteemed more valuable when cut between the 1st of November and 1st of March, one winter season at least is allowed for that purpose.

"Having shown the Secretary did not deem this timber necessary for immediate use, it may be here remarked that he could not, and did not, under the first contracts, or under that with Swift, expect half of the timber to be delivered on the 1st of September, or near that time. Every one knew it was physically impossible to deliver any portion of it at Warrington (Fensacola) by that time, or for months afterwards.

"None of the contractors for that yard had any timber there, or near there. Each of them had to cut it from the forest before he could deliver it. The yellow fever was prevailing along the Gulf coasts with great fatality, and no one would have exposed himself to the danger by cutting timber during its prevalence. Without this obstacle, it was impossible to have cut and delivered the timber by the time specified, or even to have placed a force in the forests, where it might be cut between the execution of the first contract and the 1st of September.

"It appears that Coates, Degrav, & Beach, the first contractors for the Warrington yard, were making reasonable exertions to furnish the timber. There is no sufficient reason for believing they would not have furnished it as soon as Swift. In fact, it appears, he has not yet complied with his contract at that yard, and has delivered but a small portion of the timber. Beach, of the firm of Coates, Degrav, & Beach, testifies that they had made arrangements by which they would have been able to deliver it all by the 1st of February. And whether that be so or not, there is nothing shown to justify the belief that they would not have furnished it as soon as Swift. The inquiry at once

arises, why was their contract annulled, and a new one made with Swift? If it was the desire of the Secretary from the first to give the contract to Swift and Bigler, or either of them, an answer is furnished.

"It is, however, proper to state in this connection, that the Secretary, in the month of December last, annulled Swift's contract for the Warrington yard, on account of his failure to deliver the timber; but orders have since been given by the chief of the bureau of yards and docks to the commandant of this yard, to receive timber offered under the contract since it was annulled.

"Some facts appear, touching this matter, to which it is deemed proper to refer. Swift and Bigler had previously been reasonably good contractors for live-oak timber, and seem to have had more favors than other contractors, in allowing their surplus timber to remain in the yards; a favor which perhaps they deserved. Swift was an ardent friend of the present Administration, and had expended his money freely—more than \$10,000—to aid the election of Mr. Buchanan. It was known to the Secretary that he had been liberal, as proved by George Plitt, and it was natural he should have a kind regard for him.

"There is a striking agreement between the timber for which the proposals were advertised, and Swift and Bigler's timber in the yards. This may have been accidental; and Lenthall testifies that the description of the timber in the proposals was not made by the Secretary, but by himself. He also says, he had in his possession, at the same time, Swift's letter, and knew what kind of timber he had, but did not pay any attention to his timber in drawing up the advertisement.

"The first contracts were annulled, and the contract with Swift entered into with remarkable promptness, the two acts seeming to have been performed at one and the same moment.

"The strong confidence of Swift, at all times, as well after the letting as before, that he would finally get the contract; his prompt declaration that the contracts of his under bidders would be annulled, and he would take their place; his quietly remaining in Washington till after the 1st of September, and in the mean time writing to Bigler, to assure him that their agreement about the timber of the latter would be carried out, are circumstances, the significance of which cannot be overlooked in this connection.

"For what reason was the 1st of September fixed for the delivery of half the timber? The Secretary knew Swift and Bigler had it then in all the yards except Warrington, and no other person in the country had it. Bigler testifies as follows:

"After I got my contracts filled, I went to the Secretary of the Navy, to get him to buy my timber upon open purchase. He gave, as a reason for not buying it upon open purchase,

that it was against the law to buy timber upon open purchase except for immediate use. Mr. Swift went to him on the same score, that he had timber over, which he wished to sell to the Governmert. This induced the Secretary, I suppose, to make this advertisement to cover about the amount of timber that we had. There was nobody else in the business who could supply the amount and kinds of timber called for, and we did not suppose there would be any opposition to us; and when the advertisement came out, I was very much surprised that it was in that shape; for it was in a very bad shape for me, as I had only about enough timber to fill out the call for two of the yards. This was bad for me in this way: for instance, if I put in bids for all the yards, I might get Pensacola or Philadelphia, where I had no timber; and then I would be obliged to move it from another yard, at great expense and trouble. This induced me to make the arrangement with Mr. Swift, to avoid the expense of removing my timber from one yard to another.

"*Question.* Did the Secretary intimate that he had any purpose in preparing this advertisement to cover the timber of yourself and Mr. Swift?

"*Answer.* I understood him that it was his calculation that it would just about cover the amount.

"*Question.* When was that?

"*Answer.* During the last summer.

"*Question.* Before the advertisement came out?

"*Answer.* Yes, sir.

"*Question.* Who made that statement to you?

"*Answer.* The Secretary of the Navy himself. He said he did not think he had authority to buy my timber; he did not wish to do anything about it but what would be entirely straight, and he did not feel authorized to make a purchase of this timber without advertising; and then, if we put in for it—he knowing that we were the only persons that had the timber—at a higher price than they thought was a fair price, that he would not take it at any rate; mind you, I had already offered my timber to the Government."

"The same witness further testifies, as follows:

"*Question.* Was it not understood between you and Mr. Swift, and live-oak dealers generally, that this advertisement was framed for the purpose of preventing competition, and to enable the Secretary to contract directly with Mr. Swift?

"*Answer.* I always understood it so; that is, not for Mr. Swift alone, for up to the time when I came here, after the advertisement was out, I thought it was for both of us."

"The same witness further testifies, as follows:

"*Question.* There is one statement of yours

' that I feel it my duty to question you further about. In answer to a question, you have said that you have always understood that it was the purpose of the Department, in framing these specifications in the advertisement, to exclude competition, and to take your and Mr. Swift's timber. Do you say that it was the object of the Department to prevent other people from coming in and underbidding you, if they could furnish it at the time at a lower price?

" Answer. If you understood me to say that, I do not think I understood the question. My explanation now would be, that the Secretary of the Navy knew, and the Chief of the Bureau knew, that there was nobody else in all America that had the timber, and could put it in at such a time, but Mr. Swift and myself. There was not any such timber in the United States that was already got out except ours. There was nobody else in the business, but Mr. Swift and myself, who could furnish it. The Secretary knew there was no such timber anywhere else in the market. But he told us, distinctly, that if we did not put it in at a reasonably fair price, they would not take it at all."

The explanation of the Secretary does not conflict with the testimony of this witness, nor does it touch the point which the testimony quoted tends to establish. If there was a conflict between them, the high official station of the one, as a functionary of the Government, should be a guarantee against any attempt to mislead; and it would be an ungracious task, to say the least, to balance between his statement and the testimony of the witness, although the latter stands in a favorable condition to obtain credence. He is free from the suspicion of prejudices engendered by disappointed expectations; has no grounds of complaint for supposed personal or pecuniary wrongs imposed by the Secretary, and is not a heated political partisan.

Whatever may be the true state of the facts in regard to the Secretary's intention concerning these contracts, and however much the committee would condemn any personal favoritism to the public detriment, they are gratified to perceive that the Secretary seems never to have lost sight of the public interest. They find the evidence of this in his repeated assurances to Messrs. Swift and Bigler, if they bid 'at a higher price than he thought was a fair price, he would not take it any rate.' They find it in the unusual clause already referred to, inserted in the advertised proposals, 'reserving the right to decline making any contract, if it (the Department) shall then deem it unnecessary or disadvantageous to the public service.' The provision was doubtless inserted to protect the Government against the imposition of exorbitant bids, when it was expected there might not be more than one or two bidders. They find still further evidence of this in the reason-

able price at which the contracts were actually and finally taken, it being proved that the average rate is lower than similar contracts had previously been made, and as low as any one could have furnished the timber, and realized a reasonable profit for his labor. Your committee are of opinion that the timber contracted for in this case was a kind proper to be kept for the repair and construction of small vessels, and they are not prepared to say it could have been purchased materially lower under any circumstances. (See the testimony of Samuel B. Grice, Lenthall, and Bigler.) And if the policy of keeping your yards supplied with suitable timber is to continue, your committee cannot see that the transaction is in any way a disadvantageous one to the Government; certainly it is not in contravention of law.

Before concluding their report on this branch of their inquiry, your committee deem it proper to notice a contract between Mr. George Plitt, as proved by Plitt himself, and W. C. N. Swift, in regard to obtaining contracts with the Government. It appears, that in 1854 Plitt and Swift entered into a written contract, by which the former undertook to use his influence with the officers of the Government, with several of whom, in high positions, he was supposed to be on terms of intimacy, both personally and politically, to procure live-oak contracts for the latter, and for which the latter was to pay him ten per cent. upon the amount of all live-oak contracts he obtained from the Government. Plitt alleges that he has performed his part of the agreement, having taken pains to introduce Swift to various officers of the Government, and to recommend him as a man of honor and probity. He introduced him to Mr. Buchanan and Mr. Toucey, and recommended him in terms of high commendation, informing the latter that he had contributed very liberally towards the election of 1856, &c. Swift had, after 1854, and prior to the contract of September, 1858, obtained some live-oak contracts from the Government; and after obtaining the last-mentioned one, wrote to Plitt, repudiating his contract with him, never having paid him anything under it. Shortly after receiving this letter, and between the 15th of October and 15th of November, 1858, Plitt for the first time mentioned the contract between himself and Swift to the President, and showed him the written agreement, and asked his advice about it. Plitt says:

" The President very properly told me that it was no affair of his; it was an agreement made long before he came into power, and if my attorney thought I could recover in a court of justice, I ought to do so. He also said he had, of course, no advice to give, and said I might do as I pleased about it."

" This, it must be remembered, was subsequent to Swift's last contract for timber.

" Your committee believe they could not condemn such contracts in too strong terms, as

against public policy and most demoralizing in their tendency. They are not only a bid, but offer of a premium, indirectly, to say the least, for corruption. They are a temptation to the parties to the practice of deception and falsehood. They are nothing less than making merchandise of the social relations and personal confidence which may very properly exist between those occupying high official stations and the private citizen, and, if tolerated, must result in making the Government the daily victim of duplicity and fraud, or in placing an impassable barrier to all social intercourse between high officials and the mere citizen, which would be contrary to the genius of our Government.

"However much your committee may condemn such improper contracts, they feel called upon to say they do not perceive any ground to attach blame in this instance, either to the President or the Secretary. It does not appear that the Secretary was ever informed of its existence, and of course never countenanced or knowingly encouraged it. It does not appear that the President was ever informed of it until a period between October 15 and November 15 last, and then summarily disposed of it by saying "he had no advice to give;" "that it was no affair of his." Here his connection with the subject began and ended; and here your committee dismiss it."

Here it is proved, that the purchase was made by Swift when the public service did not require it, and that the advertisement by which it was pretended to invite competitors was studiously framed to prevent it, and so as to render compliance with the terms of it by any

other person than Swift impossible. And it is apparent that the object was to indemnify and reward an Old Line Whig, who was made a Democrat, Mr. Plitt says, by him, by a process not stated, but easily understood from the contract between them, who was introduced by him to Mr. Buchanan, was willing to pay \$50,000 to elect him, and did actually pay \$10,000 out of his own pocket, to carry the election in Pennsylvania. There is no room for cavil about the facts of this transaction. Mr. Bocock says, indeed, that "however much the committee would condemn any personal favoritism to the public detriment, they are gratified to perceive that the Secretary seems never to have lost sight of the public interest." But this language, which has no other justification than that the Secretary did not pay Swift one dollar and thirty cents per foot for the timber, when there were other bids *unexpectedly* put in, offering to furnish it at one dollar and twelve and a half cents, sounds like a satire even in the mouth of a friend, in view of the facts disclosed by the testimony, and embodied in the report copied above. The importance of the case is not in the magnitude or the amount involved, although that is large, but in showing the details of the system by which lavish appropriations subvert popular government, and verify Mr. Jefferson's maxim, that we must choose between economy and liberty.

WASHINGTON, D. C.  
BUELL & BLANCHARD PRINTERS  
1859.



